

MR. TSONGAS: Mr. Chairman, I rise to explain my amendment.

First, I wish to indicate my general support of this legislation and compliment the members of the Committee on Science and Technology for their thoughtful efforts and successful work in preparing this bill. I appreciate the Committee's refinement of the generic loan guarantee authority to be granted to the ERDA Administrator. The procedural safeguards adopted by the Committee are certainly appropriate in the development of large-scale synthetic fuel projects that may have very significant adverse environmental impacts and will ultimately require billions of dollars of capital expenditures in order to become operational.

After reading carefully the text of H.R. 6796 and its accompanying Report No. 95-349, it is clear to me that the Committee intended that the safeguards developed for the large-scale synthetic fuel demonstration projects should not be administered in such a way by ERDA as would impede the important progress we could achieve almost immediately in developing the much smaller scale and non-controversial conservation technology alternative fuel projects, requiring \$50 million or less in loan guarantees, such as urban waste conversion projects.

As you may know, in my home state, we have a successful waste conversion facility in operation which is currently serving the town of Saugus, Massachusetts. This facility processes some 1,600 tons of trash daily from twelve communities, plus two districts in Boston, and sells the steam it produces, resulting

in an estimated energy saving of 73,000 gallons of fuel oil a day. The development of such facilities on a nationwide scale, as soon as possible, makes sense as an energy conservation measure. It also would contribute to solving another growing urban problem--the need to dispose of solid wastes in an environmentally acceptable manner. My goal is to insure that the ERDA Administrator will proceed forthwith, upon the enactment of H.R. 6796, with the development of a loan guarantee program for urban waste conversion.

Our country must shift to the use of renewable energy resources if we are to cut back significantly on our use of ever more scarce depletable resources such as gas and oil. This point has become as obvious to each of you as it has to the Ad Hoc Committee on Energy on which I serve. Each day, we produce tons of trash and waste. Instead of carting off this waste and burying it in the ground, we could exploit it as a valuable renewable energy resource. Except in a few American cities, however, the technology to transform waste into energy is not in operation or even in the planning stages.

The legislation as it is presently drafted inappropriately imposes on smaller conservation technology projects most of the complex and time-consuming procedural safeguards that were devised for large, controversial, synthetic fuel projects. The small-scale conservation technology projects should be subject to provisions that permit more expeditious development. Most important, ERDA's tendency to overlook the major contribution that could be made in the immediate future by the proper

encouragement of conservation technologies, such as those that transform urban waste into energy, will, I fear, continue unchecked unless Congress makes explicitly clear its determination that ERDA pursue such unglamorous but practical energy measures. By establishing a separate loan guarantee program which encompasses urban waste conversion, Congress can assure itself that this field of energy conservation is not overlooked.

I urge the members of the House to join me in voting to amend H.R. 6796 so that it will include Section 201 of S. 37, a provision passed by the Senate this year specifically authorizing the establishment of a biomass loan guarantee program. The program would require the ERDA Administrator to develop a separate set of regulations and guidelines and initially would earmark a funding limit of \$300 million of loan guarantee authority for biomass projects. "Biomass" is defined specifically in Section 201 to include "urban and municipal wastes." This important definition, incidentally, is not included in the present version of H.R. 6796.

Section 201 of S. 37 has been considered by the House before and passed unanimously as Title VIII of last year's Conference Report on the ERDA Authorization Bill for fiscal year 1977. It would have been enacted last year but for a filibuster on the Senate floor on an unrelated matter during the closing minutes of the last session. Prior to last year's conference on the ERDA Authorization Bill for fiscal 1977, language essentially identical to Section 201 of S. 37 was passed by the Senate. This provision was again passed by the Senate this year.

Even those Congressmen of the House and Senate who oppose loan guarantee authority for large-scale synthetic fuel projects supported such authority for smaller, conservation technology projects. In sum, amending H.R. 6796 by adding Section 201 of S. 37 will supplement and perfect the loan guarantee portion of the H.R. 6796 legislation in a way that both the House and Senate have previously considered and approved.